

AMENDED IN ASSEMBLY AUGUST 17, 2004

AMENDED IN ASSEMBLY AUGUST 4, 2004

AMENDED IN ASSEMBLY JUNE 14, 2004

AMENDED IN SENATE APRIL 22, 2004

**SENATE BILL**

**No. 1481**

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**Introduced by Senator Chesbro**

February 19, 2004

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An act to repeal Chapter 310 of the Statutes of 1913, Chapter 417 of the Statutes of 1925, Chapter 483 of the Statutes of 1947, Chapter 117 of the Statutes of 1957, Chapter 1501 of the Statutes of 1957, Sections 10 and 11 of Chapter 11 of the Statutes of 1962, Chapter 63 of the Statutes of 1962 of the First Extraordinary Session, and Chapter 24 of the Statutes of 1963, relating to tidelands and submerged lands of the City of Vallejo.

LEGISLATIVE COUNSEL'S DIGEST

SB 1481, as amended, Chesbro. Tidelands: City of Vallejo.

Existing law grants to the City of Vallejo all the right, title, and interest of the State of California in and to all tidelands and submerged lands situated in the Napa Creek, the Mare Island Straits, and the Straits of Carquinez within the boundaries of the city, as specified, in trust for certain purposes, including promotion of commerce, navigation, and ~~fishery~~ *fisheries*, and for establishing a harbor and related facilities.

This bill would repeal specified statutes, as prescribed, which provided for those grants of tidelands and submerged lands to the City of Vallejo, and would provide for the grant and conveyance to the City of Vallejo, as described, and to ~~is its~~ successors, of all the right, title and

interest of the State of California held by the state in and to, all the tide and submerged lands and lands lying under inland navigable waters within the present boundaries of the City of Vallejo for public trust purposes, as defined, except for specified lands currently leased to the Wildlife Conservation Board, the Department of Fish and Game, and the United States Fish and Wildlife Service;; lands transferred to the Department of Education for the California Maritime Academy;; and lands subject to the Mare Island Property Settlement and Exchange Agreement,~~as provided until those lands are confirmed as public trust lands through implementation of a specified agreement.~~ The bill would specify the purposes for which those lands may be used, and would prescribe related matters. The bill would prescribe procedures for the exchange and termination of the public trust or interest in those lands by the city.

The bill would provide that its provisions are severable and if any provision of the bill or its application is held invalid, that invalidity shall not affect other provisions or application that can be given effect without the invalid provision or application.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. As used in this act, the following definitions  
2 apply:  
3 (a) “City” means the City of Vallejo, a municipal corporation  
4 of the State of California, in Solano County.  
5 (b) “Public trust purposes” means purposes related to  
6 commerce, navigation, and fisheries, water-oriented recreation,  
7 and preservation of land in a natural state.  
8 (c) “Granting statutes” means Chapter 310 of the Statutes of  
9 1913, Chapter 417 of the Statutes of 1925, Chapter 483 of the  
10 Statutes of 1947, Chapter 117 of the Statutes of 1957, Chapter  
11 1501 of the Statutes of 1957, Sections 10 and 11 of Chapter 11 of  
12 the Statutes of 1962, Chapter 63 of the Statutes of 1962 of the First  
13 Extraordinary Session, and Chapter 24 of the Statutes of 1963.  
14 (d) “Exchange statutes” means Chapter 895 of the Statutes of  
15 1980 and Chapter 299 of the Statutes of 2003.  
16 SEC. 2. It is the intent of the Legislature, in enacting this act,  
17 to do all of the following:



1 (a) Repeal and supercede prior granting statutes governing the  
2 City of Vallejo's administration, as trustee, of all tide and  
3 submerged lands and lands underlying inland navigable water  
4 within the boundaries of the City of Vallejo that were previously  
5 granted to the city by the State of California, into a single grant.

6 (b) Confirm in the City of Vallejo all of the state's right, title,  
7 and interest to tide and submerged lands and lands underlying  
8 inland navigable waters within the boundaries of the City of  
9 Vallejo that were previously granted by the granting statutes, and  
10 to amend the conditions and set forth the uses and purposes  
11 established for the city's government, management, and control of  
12 those lands.

13 (c) Convey to the City of Vallejo, and to its successors, all of  
14 the state's right, title, and interest to any remaining tide and  
15 submerged lands, and lands underlying inland navigable waters  
16 within the present boundaries of the City of Vallejo not heretofore  
17 conveyed, including that property established as public trust lands  
18 by the Mare Island Property Settlement and Exchange Agreement,  
19 and to provide for the city's government, management, and control  
20 of those lands.

21 (d) Expressly repeal the granting statutes and supercede those  
22 statutes by the enactment of a single statute providing for the grant  
23 of lands to the City of Vallejo.

24 SEC. 3. The Legislature hereby finds and declares all of the  
25 following:

26 (a) Since the admission of the State of California into the  
27 United States, certain tide and submerged lands have been, and are  
28 now held, in trust by the state for the benefit of all California  
29 residents for the purposes of commerce, navigation, fisheries,  
30 water-oriented recreation, and ~~environmental protection and~~  
31 ~~conservation~~ *preservation of land in a natural state*. The state is  
32 required to govern, administer, and control those lands for public  
33 trust purposes. The state is authorized, when the interests of the  
34 public trust require it, to grant and convey to municipalities limited  
35 and defined areas of public trust lands along with the power to  
36 govern, control, improve, and develop those lands in the interests  
37 of all of the inhabitants of the state for public trust purposes.

38 (b) The State of California, pursuant to the granting statutes,  
39 has conveyed certain tide and submerged lands and lands lying  
40 under inland navigable waters to the city, in furtherance of public

1 trust purposes, and has provided for the administration,  
2 management, and control of those lands by the city. The State of  
3 California, pursuant to Chapter 43 of the Statutes of 1854, Chapter  
4 81 of the Statutes of 1897, and Chapter 1452 of the Statutes of  
5 1963, granted to the United States those tide and submerged lands  
6 adjacent to lands held by the United States for military purposes,  
7 including lands used for the development of the Mare Island Naval  
8 Shipyard.

9 (c) The United States Navy closed the Mare Island Naval  
10 Shipyard in 1996, and has conveyed, and will convey, certain lands  
11 lying within the boundaries of the former Mare Island Naval  
12 Shipyard to the city pursuant to the Defense Base Closure and  
13 Realignment Act of 1990 (10 U.S.C. Sec. 2687, and following, as  
14 amended). Upon closure of the former Mare Island Naval  
15 Shipyard, and by the terms of the state grants, the State of  
16 California claimed a right of reversion to all lands lying under the  
17 shipyard that were previously conveyed to the United States for  
18 military purposes. The State Lands Commission, acting under the  
19 auspices of the State of California, and in cooperation with the City  
20 Council of the City of Vallejo, approved the Mare Island Property  
21 Settlement and Exchange Agreement, which was recorded on  
22 March 26, 2002, as Instrument Number 02-37955 in the  
23 Recorder's Office, County of Solano, State of California  
24 (hereafter the agreement). That agreement settled the state's public  
25 trust title claims at the former Mare Island Naval Shipyard, and  
26 provided for an exchange of trust lands for nontrust lands of equal  
27 or greater value, in accordance with the requirements of Section  
28 6307 of the Public Resources Code. The agreement was confirmed  
29 as valid, and title to the former Mare Island Naval Shipyard was  
30 quieted in accordance with the terms and conditions of that  
31 agreement, when implemented, pursuant to the judgment entered  
32 in City of Vallejo v. State of California, Solano County Superior  
33 Court Case No. 19710 (January 6, 2003), recorded on April 15,  
34 2003, as Document Number 200300058313 in the Recorder's  
35 Office, County of Solano, State of California.

36 (d) The settlement of title to tide and submerged lands at Mare  
37 Island Naval Shipyard, and the conveyance of those lands to the  
38 city, as trustee of all of the state's ~~rights~~ right, title, and interest in,  
39 those lands within the boundaries of the city held by the state by  
40 virtue of its sovereignty in and to all tide and submerged lands and



lands lying under inland navigable waters, together with the right to govern, control, improve, and develop or retain the lands in their natural state, will result in great advantage and benefit to all the inhabitants of the state.

(e) The State of California, pursuant to the exchange statutes, negotiated, and is authorized to negotiate, exchanges with the City of Vallejo for lands of equal or greater value that impose the public trust on certain lands while terminating the public trust with respect to *the* lands exchanged by the state. Those exchanges remain beneficial and will maximize the benefits to the public trust.

SEC. 4. The State of California hereby grants and conveys to the city, and to its successors, all the ~~rights~~ *right*, title, and interest of the state held by virtue of its sovereignty in, and to, all the tide and submerged lands and lands lying under inland navigable waters within the present boundaries of the city for public trust purposes, except for those lands currently leased to the Wildlife Conservation Board, the Department of Fish and Game, and the United States Fish and Wildlife Service;; lands transferred to the Department of Education for the California Maritime Academy pursuant to Chapter 840 of the Statutes of 1945 and Chapter 135 of the Statutes of 1947;; and lands that are subject to the Mare Island Property Settlement and Exchange Agreement referenced in subdivision (c) of Section 3 of this act *until those lands are confirmed as public trust lands through implementation of the agreement described in Section 5.*

SEC. 5. As to the lands that are the subject of the Mare Island Property Settlement and Exchange Agreement described in subdivision (c) of Section 3 of this act, the disposition of those lands is to be governed by that agreement. When each public trust parcel that is covered by that agreement is conveyed by ~~quitclaim~~ deed from the state to the city pursuant to the terms of the agreement, that parcel shall thereafter be held by the city *as public trust land* pursuant to the terms of this act *and the public trust*. Once conveyed to the city, the use of those parcels of land shall be limited to those uses contained in Section 3 of the Public Agency Lease, recorded on March 26, 2002, as Instrument Number 02-379555 in the Recorder's Office, County of Solano, State of California.

SEC. 6. The lands hereby granted and conveyed to the city pursuant to this act shall be held by the city, and its successors, in trust for uses consistent with the public trust. Those lands may be used for the construction, reconstruction, repair, and maintenance of any transportation, utility, or other infrastructure that is incidental, necessary, or convenient for any uses consistent with the public trust. Those lands shall be held by the city, or its ~~successor~~ *successors*, subject to the following conditions:

(a) The city, or its successors, shall not grant, convey, or otherwise alienate those lands, or any part thereof, to any individual, firm, or corporation for any purpose, except as provided in this act. However, the city, or its successors, may grant franchises on or lease those lands, or any part thereof, for limited periods not to exceed a maximum period of 66 years, for purposes consistent with the public trust. Those franchises or leases may be subject to any terms or conditions that may be imposed by the city that are deemed by the city to be necessary for municipal purposes. The city shall collect and retain rents from those leases, and any and all rents and revenues received from trust lands and trust assets, hereinafter referred to as “trust revenues.” Those trust revenues shall be expended only for those uses and purposes consistent with the public trust. The purpose of this requirement is to provide for the segregation of funds derived from the use of trust lands in order to ensure that they are expended only to enhance the lands in accordance with the trust uses and purposes upon which the trust lands are held.

(b) On or before October 1 of each year, the trustee of those lands described in subdivision (a) shall file with the State Lands Commission a detailed statement of all trust revenues and expenditures relating to its use of trust lands and trust assets, including obligations that have been incurred, but not yet paid, covering the fiscal year preceding submission of the statement. This statement shall be prepared according to generally accepted accounting principles and may take the form of an annual audit prepared by or for the trustee.

(c) There is hereby reserved in the people of the State of California the right to fish in the waters on which trust lands may front with the right of convenient access to those waters for fishing purposes.

1 (d) The state shall have the right to use without charge, any  
2 transportation, landing, or storage improvements, betterments, or  
3 structures constructed upon the trust lands for any vessel or other  
4 watercraft or railroad owned or operated by, or under contract to,  
5 the state. The state's use of those facilities shall be governed by the  
6 trustee's rules and regulations.

7 (e) The lands herein granted and conveyed to the city are  
8 subject to the express reservation and condition that the state may  
9 at any time in the future use those lands, or any portion thereof, for  
10 highway purposes without compensation to the city, or its  
11 successors or assignees, or any person, firm, or public or private  
12 corporation claiming any right to those lands, except that in the  
13 event improvements have been placed with legal authority upon  
14 the property taken by the state for highway purposes,  
15 compensation shall be made to the person entitled thereto for the  
16 value of the interest in the improvements taken or the damages to  
17 that interest.

18 (f) The State of California shall reserve all rights to any remains  
19 or artifacts of archaeological or historical significance and to all  
20 minerals and mineral rights in the lands now known to exist or  
21 hereafter discovered, including, but not limited to, oil and gas and  
22 rights thereto, together with the sole, exclusive, and the perpetual  
23 right to explore for, remove, and dispose of those minerals by any  
24 means or methods suitable to the State of California or to its  
25 successors and assignees. Notwithstanding Section 6401 of the  
26 Public Resources Code, any mineral right retained pursuant to this  
27 section shall not include the right of the state or its successors or  
28 assignees in connection with any mineral reservation, removal, or  
29 disposal activity, to do either of the following:

30 (1) Enter upon, use, or damage the surface of the lands or  
31 interfere with the use of the surface by any grantee or by the  
32 grantee's successor or assignees.

33 (2) Conduct any mining activities of any nature whatsoever  
34 above a plane located five hundred feet below the surface of the  
35 lands without permission of any grantee of the lands or the  
36 grantee's successors or assignees.

37 (g) In the management, conduct, operation, and control of the  
38 trust lands or any improvement, or structures on that land, the  
39 trustee or its successors shall make no discrimination in rates, tolls,  
40 or charges for any use or service in connection therewith nor shall

1 the trustee discriminate against or unlawfully segregate any person  
2 or group of persons on account of sex, race, color, creed, national  
3 origin, ancestry, or physical handicap for any use or service in  
4 connection herewith.

5 (h) Those lands shall be improved by the city without expense  
6 to the State of California, except that nothing contained in this act  
7 shall preclude the city from accepting and retaining any grant of  
8 funds or subvention from the state or other governmental agencies  
9 made available for the purpose of aiding in the development of  
10 those lands for any public purpose ~~not inconsistent~~ *consistent* with  
11 the promotion and accommodation of commerce, navigation,  
12 fisheries, water-oriented recreation, or ~~environmental purposes~~  
13 *preservation of land in a natural state*.

14 SEC. 7. (a) Subject to the requirements for approval by the  
15 State Lands Commission specified in subdivision (b), whenever it  
16 is determined by the city that any portions of the tide or submerged  
17 lands granted to the city pursuant to this act have been filled and  
18 reclaimed, cut off from access to the waters of San Pablo Bay and  
19 Mare Island Strait, constitute a relatively small portion of the tide  
20 and submerged lands granted to the city, and are no longer needed  
21 or required for the promotion of the public trust purposes and the  
22 granted lands trust, and that there will not be a substantial  
23 interference with the public trust uses and purposes, the city may  
24 terminate the public trust over those portions of the tidelands and  
25 exchange those portions of the tidelands, or any interest in those  
26 lands, with any state agency, political subdivision, person, entity,  
27 or corporation, or the United States, or any agency thereof, for  
28 lands or interests in lands of equal or greater value, if those lands  
29 granted are used for public trust purposes.

30 (b) An exchange and trust termination under subdivision (a)  
31 shall not be effective until the State Lands Commission, at a  
32 regular open meeting with the proposed exchange and trust  
33 termination as a properly scheduled agenda item, does both of the  
34 following:

35 (1) Finds that the lands or interests in lands to be acquired by  
36 the city and the value of the public trust interest to be created by  
37 agreement of the city are of a value equal to or greater than the  
38 value of the tidelands for which they are to be exchanged and the  
39 value of the tidelands over which the public trust will be  
40 terminated.

(2) Adopts a resolution approving the proposed exchange and trust termination, which finds and declares that the tidelands to be exchanged and over which the public trust will be terminated have been filled and reclaimed, are cut off from access to the waters of San Pablo Bay and ~~Mare Island Strait~~, *Mare Island Strait*, and the *Straits of Carquinez*, constitute a relatively small portion of the tide and submerged lands granted to the city, and are no longer needed or required for the promotion of the public trust; and that there will not be a substantial interference with the public trust uses and purposes that will ensue by virtue of the exchange of the trust lands and the trust termination. As to any such exchange and trust termination, upon the close of escrow, or other event ~~effectuating~~ *completing* the exchange and trust termination, the tidelands to be exchanged and with respect to which the public trust is to be terminated shall thereupon be free from the public trust.

(c) Any lands acquired by the city for public trust purposes shall thereafter be held by the city pursuant to the terms of this act.

(d) The provisions of this act are not exclusive with respect to the settlement or litigation of titles and boundaries of lands within either the present waterway or granted lands. This act does not impair nor alter the existing procedural or substantive rights or disabilities of any person or entity claiming title to, or an interest in, any lands in the present waterway and the granted lands in the defense or prosecution of any proceeding now or hereafter instituted under the laws of this state, nor affect the applicability of those lands with respect to any ~~other provisions~~ *provision* of law.

SEC. 8. (a) Any party to an exchange agreement entered into pursuant to this act may bring an action under Chapter 4 (commencing with Section 760.010) of Title 10 of Part 2 of the Code of Civil Procedure to quiet title and to confirm the validity of that agreement as if the agreement had been entered into pursuant to Section 6307 or 6357 of the Public Resources Code. No action shall be brought later than 90 days after the recording of the executed agreement.

(b) Notwithstanding subdivision (b) of Section 764.080 of the Code of Civil Procedure, a person, not a party to an exchange agreement entered into pursuant to this act seeking to bring an action challenging the validity of the agreement, shall file that action no later than 180 days after the recording of the executed agreement.

1 (c) Any exchange agreement entered into pursuant to this act  
2 shall be conclusively presumed to be valid, unless held invalid in  
3 an appropriate proceeding in a court of competent jurisdiction  
4 commenced within the time limits specified in this section.  
5 SEC. 9. Chapter 310 of the Statutes of 1913 is repealed.  
6 SEC. 10. Chapter 417 of the Statutes of 1925 is repealed.  
7 SEC. 11. Chapter 483 of the Statutes of 1947 is repealed.  
8 SEC. 12. Chapter 117 of the Statutes of 1957 is repealed.  
9 SEC. 13. Chapter 1501 of the Statutes of 1957 is repealed.  
10 SEC. 14. Sections 10 and 11 of Chapter 11 of the Statutes of  
11 1962 are repealed.  
12 SEC. 15. Chapter 63 of the Statutes of 1962 of the First  
13 Extraordinary Session is repealed.  
14 SEC. 16. Chapter 24 of the Statutes of 1963 is repealed.  
15 SEC. 17. The provisions of this act are severable. If any  
16 provision of this act or its application is held invalid, that invalidity  
17 shall not affect other provisions or applications that can be given  
18 effect without the in valid provision or application.

